



Senate

General Assembly

File No. 601

February Session, 2008

Substitute Senate Bill No. 577

Senate, April 14, 2008

The Committee on Appropriations reported through SEN. HARP of the 10th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING THE NURSING HOME FINANCIAL ADVISORY COMMITTEE.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 17b-339 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2008*):

3 (a) There is established a Nursing Home Financial Advisory
4 Committee to examine the financial solvency of nursing homes on an
5 ongoing basis and to support the Departments of Social Services and
6 Public Health in their mission to provide oversight to the nursing
7 home industry [which] that promotes the financial solvency of and
8 quality of care provided by nursing homes. The committee shall
9 consist of [seven] nine members: The Commissioner of Social Services,
10 or [his] the commissioner's designee; the Commissioner of Public
11 Health, or [his] the commissioner's designee; the Secretary of the Office
12 of Policy and Management, or [his] the secretary's designee; the State
13 Comptroller, or the Comptroller's designee; the director of the Office of
14 Fiscal Analysis, or [his] the director's designee; the State Ombudsman;

15 the executive director of the Connecticut Health and Education
16 Facilities Authority, or [his] the executive director's designee; and one
17 representative of nonprofit nursing homes and one representative of
18 for-profit nursing homes appointed by the Governor.

19 (b) The [Commissioner of Social Services and the Commissioner of
20 Public Health shall be the chairpersons] Comptroller, or the
21 Comptroller's designee shall be the chairperson of the committee. Any
22 vacancy shall be filled by the appointing authority.

23 (c) The committee may examine and audit the financial and other
24 records related to the operation of any: (1) Nursing home facility, as
25 defined in section 19a-521; (2) parent company, subsidiary, affiliate or
26 joint venture, or any combination thereof, of any such nursing home
27 facility; and (3) nursing facility management services, as defined in
28 section 19a-561 of the 2008 supplement to the general statutes. In order
29 to carry out the committee's prescribed mission as set forth in
30 subsection (a) of this section, the committee may issue subpoenas,
31 order the production of books, records and other documents,
32 administer oaths and take testimony under oath. The committee may
33 request the Attorney General to petition the Superior Court for such
34 order as may be appropriate to enforce the provisions of this section.
35 The committee, upon receipt of a report relative to the financial
36 solvency of and quality of care provided by nursing homes in the state,
37 shall recommend appropriate action for improving the financial
38 condition of any nursing home that is in financial distress to the
39 Commissioner of Social Services. The committee may recommend that
40 the Commissioner of Social Services seek the appointment of a receiver
41 for a nursing home facility pursuant to section 19a-543.

42 (d) Not later than January 1, [1999] 2009, and annually thereafter,
43 the committee shall submit a report on its activities to the joint
44 standing committees of the General Assembly having cognizance of
45 matters relating to human services and public health and to the select
46 committee of the General Assembly having cognizance of matters
47 relating to aging, in accordance with the provisions of section 11-4a.

Section 1	<i>July 1, 2008</i>	17b-339
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PH	Joint Favorable Subst. C/R	APP
APP	Joint Favorable Subst.	

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 09 \$	FY 10 \$
Various State Agencies	GF - Cost	Potential	Potential

Municipal Impact: None

Explanation

This bill changes the composition of the Nursing Home Financial Advisory Committee and makes the State Comptroller the chairperson, rather than the Commissioners of Social Services and Public Health. These changes are not expected to result in any fiscal impact.

The bill also gives the Committee the authority to examine and audit the financial and other records of nursing homes and related entities. It is not clear whether the staff of the agencies appointed to the Committee would be responsible for these audits. If so, additional costs to the agencies involved would be incurred. The costs would be dependent upon the number and depth of any such audits and examinations.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sSB 577*****AN ACT CONCERNING THE NURSING HOME FINANCIAL
ADVISORY COMMITTEE. AN ACT CONCERNING THE NURSING
HOME FINANCIAL ADVISORY COMMITTEE.*****SUMMARY:**

This bill:

1. adds the comptroller, or her designee and the state ombudsman to the seven-member Nursing Home Financial Advisory Committee;
2. makes the comptroller the committee's chairperson, instead of the social services (DSS) and public health (DPH) commissioners;
3. expands the committee's authority concerning the financial solvency of nursing homes and related entities; and
4. updates an existing reporting requirement.

EFFECTIVE DATE: July 1, 2008

NURSING HOME FINANCIAL ADVISORY COMMITTEE***Committee Membership***

The current committee includes the commissioners of DSS and DPH or their designees; the Office of Policy and Management secretary or his designee; the Office of Fiscal Analysis director or his designee; the executive director of the Connecticut Health and Education Facilities Authority or his designee; and one representative each from nonprofit and for-profit nursing homes, appointed by the governor. The DSS and DPH commissioners are the committee chairpersons.

The bill adds the comptroller or her designee to the committee and also names her the committee chairperson. The other new member is the state ombudsman (appointed by the DSS commissioner and heads the Office of the Long-Term Care Ombudsman).

Committee Responsibilities

Currently, the committee has the authority to examine the financial solvency of nursing homes on an ongoing basis and support DSS and DPH in their oversight of the nursing home industry to promote the financial solvency of, and quality of care provided by, nursing homes. By law, the committee, after receiving a report about a nursing home's financial solvency and quality of care, must recommend action to DSS for improving the financial condition of any home in financial distress.

The bill expands the committee's authority by allowing it to examine and audit financial and other records related to the operation of any (1) nursing home facility; (2) parent company, subsidiary, affiliate or joint venture, or any combination of a nursing home facility; and (3) nursing facility management services. (Nursing facility management services are services provided in a nursing facility to manage its operations, including the provision of care and services. Nursing facility management services must be certified by DPH under the law.)

The bill gives the committee the power to issue subpoenas; order the production of books, records, and other documents; administer oaths; and take testimony under oath. Under the bill, the committee can ask the attorney general to petition the Superior Court for an appropriate order to enforce these provisions. The bill allows the committee to recommend that the DSS commissioner seek the appointment of a receiver for the nursing home.

Report

The bill updates an existing committee reporting requirement by directing the committee to annually report on its activities to the Public Health, Human Services, and Aging committees, with the next report

due January 1, 2009.

BACKGROUND

Related Bill

sSB 32, reported favorably by the Human Services and Appropriations committees, also makes changes to the Nursing Home Financial Advisory Committee.

COMMITTEE ACTION

Public Health Committee

Joint Favorable Substitute Change of Reference
Yea 22 Nay 6 (03/14/2008)

Appropriations Committee

Joint Favorable Substitute
Yea 50 Nay 4 (03/28/2008)